

Soviet Military Aid to the Satellites

Known Soviet military credits to the Satellites have been small compared to the economic assistance extended. Only two countries are known to have received formal credits for military aid, namely, Hungary and Communist China.

Hungary received three known credits amounting to \$90 million during 1949-54. Reports show that as of October 1955 Hungary owed the Soviet Union \$120 million for war materials which is repayable in goods by the end of 1965. It is not known whether the \$120 million includes, or is in addition to, the \$90 million. Hungary has thus received from the Soviet Union between \$120 million - \$210 million in military aid.

Soviet military credits to Communist China total \$1,648 million.

A breakdown showing the amount utilized each year follows:

<u>Year</u>	<u>Military Credit (millions US \$)</u>
1950-52	704
1953	118
1954	281
1955	545
1956	0
1957	0
Total	1,648

Probably all Satellites have received military aid from the Soviet Union but the amounts are not known. Some military support has been

~~SECRET~~

NOFORN

for example, maintains Soviet troops in most, if not all, of the Satellites.

The GDR's contribution toward the maintenance of Soviet troops on East

German soil was reduced in 1956 by \$1,441 million over a period of four years.

The Soviet Union gave vast quantities of military supplies to North Korea and North Vietnam, as well as to China, during the Korean and Indochina wars, respectively. However, the value cannot be estimated.

~~SECRET~~

Soviet Gross National Product by End Use for Selected Years

Billion 1955 Dollars

	<u>1950</u>	<u>1956</u>	<u>1962</u>	<u>1970</u>
Consumption	56.9	85.5	114.4 - 117.3	168.9 - 173.2
Investment	24.4	45.0	70.9 - 72.1	137.0 - 139.4
Defense	26.3	35.9	55.4 - 56.6	88.3 - 90.3
Government Administration	<u>19.4</u>	<u>17.8</u>	<u>20.1</u>	<u>22.7</u>
GNP* (NIE-11-4-57)	105	159	224 - 229	358.1 - 366.1

Percentage of Dollar GNP

	<u>1950</u>	<u>1956</u>	<u>1962</u>	<u>1970</u>
Consumption	44.8	46.4	44.0	40.6
Investment	19.2	24.4	27.2	32.9
Defense	20.7	19.5	21.2	21.2
Government Administration	<u>15.3</u>	<u>9.7</u>	<u>7.6</u>	<u>5.3</u>
GNP	100.0	100.0	100.0	100.0

Ruble GNP Average Annual Rates of Growth (%)

	<u>1955/1950</u>	<u>1962/1955</u>	<u>1970/1962</u>
Consumption	6.5	5.5 - 5.9	5.0
Investment	9.7	9.0 - 9.3	8.6
Defense	6.5	6.3 - 6.6	6.0
Government Administration	<u>negative</u>	<u>2.0</u>	<u>1.5</u>
GNP	7.0	6.3 - 6.6	6.0

*The sum of the dollar values of the end uses do not add to the estimated dollar of GNP because the weighting system implied in adding the dollar values of the end uses is different than that used in getting GNP in dollars.